

STATE OF INDIANA
Board for Proprietary Education

Minutes of Meeting

Tuesday, June 9, 2015

I. CALL TO ORDER

The Board for Proprietary Education met in regular session starting at 10:00 a.m. at 101 West Ohio Street, 7th Floor Conference Room, with Chairman Dr. Ken Sauer presiding.

II. ROLL CALL OF MEMBERS AND DETERMINATION OF A QUORUM

Members Present:

Rod Haywood, Jr., Ken Konesco, Joe Pearson, Kimberly Perkins and Dr. Ken Sauer.

Members Absent:

None

Members Present by Conference Call:

Eric Ogle

Guests Present:

Connie Adelman, Jeff Blitz, Dr. Kerrie Berends, John Carreon, Mark Chyba, Greg Craddock, Michael Crowley, Robert Rothrock, Glenna Shelby, Greg Schiffli, Vicky Thomas and Gary Zello.

It was determined that there was a quorum for the June 9, 2015 Board meeting.

III. CONSIDERATION OF THE MINUTES OF THE DECEMBER BOARD MEETING

The Board for Proprietary Education approved the Minutes of the March 10, 2015 meeting.

Mr. Ken Konesco moved for acceptance and Joe Pearson seconded the motion. The motion was unanimously approved.

IV. EXECUTIVE DIRECTOR'S REPORT

Dr. Sauer provided an update on the BPE Rules. Dr. Sauer commented on the continued efforts to have the BPE Rules published in the Indiana Registry. To-date, we have received comments from the Attorney General's office. The Attorney General's comments will be reviewed by the Board and once we incorporate the changes that were suggested by the Attorney General's office, we will be ready to proceed with the formal process. We have one point to follow-up with Glenna Shelby, Indiana Association of Private Career Schools.

We will be distributing the final copy to all Board members before being published with the Indiana Register. If there are any remaining or additional comments from the Board, we will address these comments with the Board members by phone or email before final processing and submission to the Indiana Register.

Ross Miller provided an update on the closure of Everest College at Merrillville, Indiana. Everest College was nationally accredited by Accrediting Council for Independent Colleges & Schools (ACICS). Everest College has been in operation under various names for the past 12 to 15 years. The student enrollment was approximately 100 students since July 2014 to June 2015.

United States Department of Education withheld Title IV funding for the eligible students and as a result the institution was facing closure. This past spring the institution began a teach-out plan. The institution officially closed on June 1, 2015, after the completion of the Teach Out Plan. Students had been offered the options of completing their program or having their Title IV student loans forgiven. Mr. Konesco asked how many students were affected by the closing and Mr. Miller responded approximately 60 students or more during the teach-out phase. Mr. Konesco asked if the CCSAF fund would be used by the closure. Mr. Miller replied no, students were able to complete their programs or have their loans forgiven.

Mr. Miller stated on June 9, 2015, an article was printed in the *Chronical of Higher Education* which stated that the U.S. Department of Education announced the plan to forgive federal student loans for students who attended Corinthian Colleges.

Dr. Sauer asked do we have an accurate count of how many students were affected by the Teach-Out and Loan Forgiveness processes. Dr. Sauer asked Mr. Miller to inquire about the final numbers of students that were totally affected with the Teach-Out and Title IV student loan forgiven. Mr. Miller responded that the student loan discharge announcement was just made that morning. Dr. Sauer will be scheduling a meeting with the BPE Planning Committee and Board Meeting to discuss in further details about the process. Dr. Sauer stated that this would be a good case study for the Planning Committee.

V. TIME – SENSITIVE ACTION ITEMS

A. Academic Degree Programs

1. Art Institute of Indianapolis: New Degree Requests

Representing Art Institute of Indianapolis was: Greg Craddock, Academic Department, Director of Design, Robert Rothrock, Academic Department Director of Media and Gary Zello, Dean of Academic Affairs.

Mr. Ross Miller presented the staff report recommending that Art Institute of Indianapolis be granted approval to offer four baccalaureate degree programs at one location.

- *B.S. in Instructional Technology and Design*
- *B.S. in Marketing and Entertainment Management*
- *B.S. in Professional Writing for Creative Arts*
- *B.S. in Software Development for Creative Technologies*

Mr. Ken Konesco made the motion to approve the staff recommendation to grant approval to the Art Institute of Indianapolis to award the above mentioned programs with the stipulation that Instructor Qualification Records and documentation be submitted to the Board staff prior to the start date of the program. Mr. Joe Pearson seconded the motion.

The motion was approved by Rod Haywood, Ken Konesco, Eric Ogle, Joe Pearson, Kimberly Perkins and Dr. Ken Sauer.

2. Harrison College: New Degree Requests

Representing Harrison College was: Jeff Blitz, Director of Accreditation Compliance, Michael Crowley, Vice President of Legal and Compliance, Mark Chyba, International Student Advisor, Greg Schiffli, National Dean, School of Business and Vicki Thomas, Associate National Dean, School of Business.

Mr. Ross Miller presented the staff report recommending that Harrison College be authorized to offer one associate of applied science degree program at seven locations, one associate of applied science degree program at nine locations, one associate of science degree program at two locations, one associate of science degree program at one location, and one baccalaureate degree program at four locations.

- *A.A.S. in Accounting*
- *A.A.S. in Medical Assisting*
- *A.A.S. in Surgical Technology*
- *A.S. in Logistics*
- *B.S. in Accounting*

The Board expressed significant concerns concerning the required Licensures and Certifications for the A.S. in Accounting and A.S. in Logistics. Dr. Sauer stated that it is imperative to properly research more licensures and certifications for these programs and all future programs in order to prepare the students academically and professional employment. Dr. Sauer requested that Harrison College submit licensure and certification information to Mr. Miller after the institution has conducted additional research with the following companies.

- American Production & Inventory Control Society (APICS)
- Manufacturing Skill Standards Council (MSSC)
- American Society of Transportation (AST)

The Board members requested a revised document be submitted to Mr. Miller for review on the A.S. in Accounting, pg. 82, "Transferability of Associate of Science degrees," which was not completed correctly.

Dr. Sauer stated he would like to have a meeting with Greg Schiffli and Michael Crowley, the counsel for Harrison College to discuss in further detail logistic program licensures and certifications.

Mr. Rod Haywood, Jr., made the motion to approve the staff recommendation to grant approval to Harrison College at several locations to award the above mentioned programs Mr. Joe Pearson seconded the motion.

The motion was approved by Rod Haywood, Eric Ogle, Joe Pearson, Kimberly Perkins and Dr. Ken Sauer. Ken Konesco abstained.

3. Kaplan University: New Degree Requests

Representing Kaplan University was: Dr. Kerrie Berends, Program Chair of Health Sciences, and John Carreon, Vice President of State Affairs and Associate General Counsel.

Mr. Ross Miller presented the staff report recommending that Kaplan University be granted approval to offer one Associate of Science degree program at one location.

- *A.S. in Health Science*

Mrs. Kimberly Perkins made the motion to approve the staff recommendation to grant approval to Kaplan University at Indianapolis to award the above mentioned program . Mr. Rod Haywood, Jr., seconded the motion.

The motion was approved by Rod Haywood, Jr., Ken Konesco, Eric Ogle, Joe Pearson, Kimberly Perkins and Dr. Ken Sauer.

VI. INFORMATION ITEM

None

VII. OLD BUSINESS

None

VIII. NEW BUSINESS

None

IX. ADJOURNMENT – approximately 11:24 a.m.

The next meeting of the Board will be on Tuesday, September 8, 2015 at 10:00 am – 12:30 pm.

Dr. Ken Sauer, Chairman

Date